

B. Post-Auction License Transfers. The overwhelming majority of commenters support the Commission's tentative conclusion that rules designed to prevent "unjust enrichment" (*e.g.*, post-auction transfer restrictions) are unnecessary when a license is obtained on a non-reserved (*i.e.*, non-preference) basis.⁶³

License winners in an unrestricted auction will have paid the maximum price, and will not be able to obtain any "unjust" enrichment; performance requirements and transfer limitations thus are not necessary.⁶⁴

U S WEST agrees. Indeed, post-auction license swaps and sales may be necessary to achieve efficient aggregation of licenses.⁶⁵

C. The Application Process. Commission rules governing the application process were written when the only means of license assignment were competitive hearings and lotteries. In this environment, it was not unreasonable to impose hurdles to discourage speculators and to minimize the number of license applicants.

Many of these rules no longer make sense with competitive bidding because the process itself will prevent participation by persons having no interest in building a network. In fact, adoption and enforcement of hyper-

installment payment plans. In addition, it is reasonable to assume that someone will challenge the legality of set-asides for designated entities, and auctioning the designated entity blocks last will minimize the chance that the assignment of other PCS licenses will be delayed.

⁶³See, *e.g.*, BellSouth 30-33; GTE at 16; MCI at 20; PageNet at 26-27; Nextel at 11-16; NYNEX at 20-21; RLV at 8; TDS at 17-18; Telocator at 14-16.

⁶⁴McCaw at 22.

⁶⁵See, *e.g.*, PageNet at 26. It is unrealistic to think that any auction procedure the Commission designs will be so perfect as to render post-auction transfers unnecessary.

technical rules may only frustrate the underlying purpose of an auction: to ensure that a license is awarded to the applicant who values the spectrum the most.

With this in mind, U S WEST recommends that the Commission adopt a set of application rules that are as streamlined as possible. Streamlined rules, as the Commission has itself recognized, will "reduce the administrative burdens of the initial stages of the auction process, avoid unnecessary delay in the availability of service, and encourage applicants to participate in the process."⁶⁶ As one commenter correctly noted:

With auctions, the Commission's goal should be to encourage widespread bidding participation, rather than exclude bidders for minor errors.⁶⁷

1. Long-Form Applications. The vast majority of commenters oppose the Commission's proposal to require all bidders to submit a long-form application in addition to a short-form application.⁶⁸ U S WEST agrees. There is no reason to require all potential bidders to submit long-form applications — especially when the Commission proposes to review only the long-form submitted by the winning bidder.⁶⁹ The Commission should

⁶⁶Notice at 32 ¶ 97.

⁶⁷CTIA at 26.

⁶⁸See, e.g., Arch at 16; ARATCSP at 6-7; BellSouth at 35; CTIA at 28; GCI at 13-14; MCI at 17-18; Pacific Bell at 22-23; PacTel Corp. at 5-6; Telocator at 12-14. In contrast, the largest telecommunications carrier supports submission of a pre-auction long-form by all bidders, although no reason for such a requirement is stated. See AT&T at 29.

⁶⁹See Notice at 33 ¶ 97.

instead require that any winning bidder submit a long-form application shortly after the conclusion of the auction.⁷⁰

2. "Letter Perfect" Standard. U S WEST also agrees with those commenters opposing adoption of a letter-perfect standard for the short-form application.⁷¹ The public interest is not served by disqualifying a high bidder because of a technical omission in its application. Any administrative delays associated with curing minor application defects will be minimal and will certainly be less significant than the loss of a potential serious bidder.

3. Petitions to Deny. No purpose is served by requiring parties to prepare, and the Commission to review, petitions to deny prior to the conduct of auctions when only one bidder will eventually be successful. U S WEST therefore supports those commenters recommending that petitions to deny be filed only in response to the long-form application of the successful bidder.⁷² Moreover, to minimize the use of such petitions to obstruct construction schedules and deployment plans, the Commission should

⁷⁰Moreover, the long-form applications should themselves be modified. For emerging services like PCS, it is neither feasible nor necessary for applicants to submit detailed engineering information in their applications. Such a requirement will impede the development of diverse and innovative services by diverting resources to the creation of "theoretical" systems unrelated to what may actually be deployed and could provide important competitive data to other mobile service providers serving the same geographic areas. Consequently, any long-form application should require the winning bidder to submit only appropriate legal qualification information. Engineering detail can be provided in subsequent transmitter-specific forms.

⁷¹See, e.g., AT&T at 30-31; BellSouth at 35-36; CTIA at 25; Pacific Bell at 23-24; RCA at 21; USIN at 22.

⁷²See, e.g., Arch at 18-19; BellSouth at 36; CTIA at 28; GCI at 13-14; Pacific Bell at 26-27.

specify the licensee qualification issues which are substantial and material and which may be addressed in petitions to deny.⁷³

D. Up-front Payments. The Commission has requested comment on whether it should deposit in interest-bearing accounts up-front payments, which will likely be considerable.⁷⁴ The answer depends upon how long the Commission intends to hold these payments. Payment of interest may be unnecessary if up-front payments will be held for two days only; however, interest payments would be appropriate if the Commission intends to retain up-front payments for a week or more.

Perhaps the better procedure would be to allow bidders to submit their up-front payments in the form of Treasury bills, as another commenter has suggested.⁷⁵ The Treasury bills can be returned if the bidder is not successful, yet with this method, the bidder retains the benefit of the interest accruing on the bills, and the Commission has not created any accounting problems.

⁷³See, e.g., *Pacific Bell* at 27. See also *NARUC v. FCC*, 525 F.2d 630, 645 (D.C. Cir), cert. denied, 425 U.S. 992 (1976).

⁷⁴See *Notice* at 36 n.100.

⁷⁵See *SBC* at 38.

IV. Application of Competitive Bidding to Various Services

A. Intermediate Microwave Links. U S WEST agrees with the overwhelming majority of commenters addressing the issue that so-called "intermediate" microwave links should not be subjected to competitive bidding.⁷⁶

First, the Commission does not have the legal authority to auction such intermediate links. Under the new statute, competitive bidding is appropriate only if the spectrum being auctioned enables subscribers "to receive communications signals" or "to transmit directly communications signals."⁷⁷ This definition thus permits use of competitive bidding only when the end user is served directly by a radio link (*e.g.*, a mobile service). Consequently, frequencies used as intermediate transport links are excluded from competitive bidding.⁷⁸

This legal analysis is consistent with the views of the Chairman of the House Committee on Energy and Commerce, who recently confirmed that it would be "inappropriate" to subject intermediate microwave links to the auction process:

⁷⁶See Alcatel at 2-3; Ameritech at 2-4; APC at 8-10; AT&T at 15-16; BellSouth at 45-46; CMI at 1-8; Comcast at 14-15; GTE at 3-4; McCaw at 25-29; MCI at 22; NRTA at 12-14; NTCA at 16; OPASTCO at 11; Pacific at 18-19; PacTel Corp. at 8-10; RLV at 3; Rochester at 5-7; RCA at 3-5; RMTA/WRTA at 29-30; SBC at 6-12; Sprint at 21-23; Telocator at 18; TWT at 6-9; USTA at 2; USIN at 4-7; UTC at 7-8.

⁷⁷Section 309(j)(2)(A), 107 Stat. 388.

⁷⁸See, *e.g.*, APC at 9; CMI at 2-4; PacTel Corp. at 9-10; Rochester at 5-6; SBC at 7-8; TWT at 6-7; USIN at 5; UTC at 7-8.

That Congress included the term "directly" was not inadvertent. The term was incorporated into the legislation in order to distinguish between those who subscribe to spectrum-based services and others whose use of the spectrum is incidental to some other service. . . . [T]he term "directly" in this instance in essence requires that subscribers operate a transmitter themselves. . . . Inasmuch as these [intermediate] links are incidental to the provision of a different, and not necessarily spectrum-based service, subjecting these licenses to competitive bidding procedures would be inappropriate.⁷⁹

Second, subjecting intermediate links to competitive bidding would also represent poor public policy. Most microwave applicants are not confronted with mutually exclusive applications because they engage in frequency coordination prior to filing their applications. This frequency coordination process has been successful because it generally resolves potential interference problems among applicants who would otherwise submit competing technical proposals.⁸⁰ Use of competitive bidding for common carrier microwave licenses would undermine this effective process because it "would create incentives both for purely speculative bidding and green-mail."⁸¹

⁷⁹Letter from the Hon. John D. Dingell, Chairman, House Committee on Energy and Commerce, to the Hon. James H. Quello, FCC Chairman, at 1-2 (Nov. 15, 1993).

⁸⁰In this regard, the new auction statute admonishes the Commission to continue to use "engineering solutions . . . and other means to avoid mutual exclusivity in application and licensing proceedings." See Section 309(j)(6)(E), 107 Stat. 390. This provision also suggests strongly that Congress did not intend to use competitive bidding in situations like microwave links where the frequency coordination process has been successful. See, e.g., CMI at 5; GTE at 4; McCaw at 28; Telocator at 18 n.13. Moreover, the purpose of implementing competitive bidding as a licensee selection method — to remedy the failings of the comparative hearing and random selection processes — is not furthered by applying it to intermediate links. See, e.g., TWT at 8.

⁸¹NTCA at 16. See also BellSouth at 45-46; CMI at 6-7; Comcast at 15; GTE at 4; McCaw at 28; MCI at 22; PacTel Corp. at 9; Rochester at 6; SBC at 10 n.5; USIN at 6-7.

Competitive bidding would also likely result in a less efficient use of the spectrum, thus contravening one of the very purposes of the new auction legislation.⁸² This is because the frequency coordination process facilitates frequency reuse as different licensees can share the same microwave frequency. Such reuse may be much more difficult to achieve with competitive bidding.

In addition, common carriers and private licensees make similar use of microwave frequencies; indeed, private licensees often use their systems instead of common carrier networks. Yet the Commission proposes to exempt private operational fixed service from competitive bidding.⁸³ In these circumstances, it would be fundamentally unfair to give private networks an artificial cost advantage over common carrier networks, particularly when private licensees are generally free to resell excess capacity to the public in competition with common carrier networks:

Equity requires that one group of microwave users not be singled out for payment when other parties, similarly using microwave for internal purposes, would be exempt from competitive bidding because they are in a different industry.⁸⁴

Finally, imposing competitive bidding on common carrier links but not on private carrier links would be unworkable because common and private carriers have access to and share the same microwave frequencies.⁸⁵

⁸²One of the explicit "objectives" of competitive bidding is to ensure "efficient and intensive use of the electromagnetic spectrum." Section 309(j)(3)(D), 107 Stat. 388.

⁸³See Notice at 50-51 ¶ 146 and n.156.

⁸⁴PacTel at 10. See also GTE at 3; McCaw at 29; MCI at 22.

⁸⁵See, e.g., UTC at 8.

Only two commenters support the use of competitive bidding with intermediate links.⁸⁶ Significantly, neither commenter addresses the legal defects of its proposal, and neither commenter questions the public interest concerns discussed above.⁸⁷ U S WEST therefore recommends that the Commission exclude "intermediate" microwave links from the competitive bidding process.⁸⁸

B. Rural Radio Services, Including Basic Exchange Telephone Radio Systems ("BETRS"). Ten commenters address fixed rural radio services like BETRS, and all 10 oppose the use of competitive bidding with these services.⁸⁹ U S WEST agrees with this position.

It is once again questionable whether the Commission may lawfully use competitive bidding with rural radio services. By its terms, the new auction statute permits competitive bidding only if "mutually exclusive applications" have been filed.⁹⁰ However, there are no BETRS applications which are mutually exclusive with each other because the Commission re-

⁸⁶See Arch at 10; CTIA at 31-34.

⁸⁷In fact, CTIA freely acknowledges that "greenmail extortion . . . may be a much more common occurrence" with competitive bidding. CTIA at 31. Arch's only concern relates to a possible lack of available microwave spectrum at some unspecified time in the future, but this concern is entirely undocumented.

⁸⁸However, if such links are auctioned, U S WEST agrees that current microwave licensees relocated by Commission Orders in ET Docket No. 92-9 should be exempted. See Notice at 42 n.118.

⁸⁹See Citizens at 7-11; InterDigital at 1-6; NCTA at 16-18; NRTA at 12-14; OPASTCO at 11; Pacific at 19; Rochester at 6 n.11; REA at 1-2; RMTA/WRTA at 29-30; USTA at 4-5.

⁹⁰Section 309(j)(1), 107 Stat. 388. See also Notice at 7-8 ¶ 22.

quires a state certificate to provide basic exchange service as a condition of obtaining a BETRS license.⁹¹

To be sure, there may be paging applications which are mutually exclusive with BETRS applications because both services currently use the same channels.⁹² However, requiring BETRS applicants to bid against paging license applicants would result in an auction determining how spectrum is used, not merely by whom — that is, for purposes of allocation rather than assignment. This would be impermissible because the auction statute is quite clear that competitive bidding may be used for assignments only, not allocations.⁹³

Rural radio services like BETRS should not be subjected to competitive bidding even if such bidding were legal. The new auction statute specifies that competitive bidding may be used only if this assignment methodology

promotes the purposes specified in section 1 of [the Communications] Act and . . . the development and rapid deployment of new

⁹¹See Basic Exchange Telecommunications Radio Service, 3 FCC Rcd 214 (1988).

⁹²As the Commission notes, the submission of such mutually exclusive applications is rare because BETRS is ordinarily used in such isolated areas and because paging services have access to many radio channels other than the BETRS spectrum. See Notice at 55 n.174. This mutual exclusivity situation could be avoided altogether if the Commission were to grant the rulemaking petition filed by various rural associations. See Petition for Rulemaking, Petition to Authorize Co-Primary Sharing of the 450 MHz Air-Ground Radiotelephone Service with BETRS, RM-8159 (Nov. 9, 1992).

⁹³See Section 309(j)(6)(A) and (7)(A), 107 Stat. 389 and 390. It is noteworthy that the Commission has proposed not using competitive bidding in other contexts where different services share the same spectrum. See Notice at 47 ¶ 140 ("We do not believe that Congress contemplated . . . police departments, for example, having to bid against SMRs for access to 800 MHz frequencies."). This same rationale applies with equal force to the situation involving BETRS and some paging frequencies.

technologies, products and services for the benefit of the public, including those residing in rural areas.⁹⁴

Section 1 of the Communications Act establishes universal telephone service as one of this Commission's overriding objectives. BETRS is one of the steps the Commission has taken to promote this objective. As the Commission has noted, BETRS is used in rural and isolated areas "where it is not feasible to provide communication services by wire or other means."⁹⁵ This universal service goal would be defeated with use of competitive bidding because residents in rural areas could be deprived of basic telephone service.⁹⁶

In summary, auctions should not be used for BETRS applications which may be mutually exclusive with paging services using the same spectrum. A service that is essential to the promotion and maintenance of universal service should not be placed in jeopardy by having to compete with paging service, especially when large blocks of other frequencies are available for paging services.

⁹⁴See Section 309(j)(2)(B) and (3)(A), 107 Stat. 388 (emphasis added).

⁹⁵Notice at 55 ¶ 165. See also Basic Exchange Telecommunications Radio Service, 3 FCC Rcd 214 (1988).

⁹⁶On the one hand, BETRS applicants could lose the auction, in which case residents of rural areas may continue to be deprived of basic telephone service. On the other hand, even if a telephone company submits the highest bid, it will face increased costs in serving an already high cost area, and these increased costs may also jeopardize the ability to serve subscribers without telephone service.

In this regard, the Commission has recently expressed concern about increases to the Universal Service Fund. See Amendment of Part 36, 8 FCC Rcd 7114 (Sept. 14, 1993). This concern will be exacerbated if telephone companies must pay additional sums just to acquire the spectrum they need to serve already high-cost areas.

C. Unserved Cellular Areas. As stated, U S WEST advocates utilization of competitive bidding procedures for all cellular unserved area applications. Congress has concluded that use of lotteries in assigning valuable radio spectrum has "not served the public interest."⁹⁷ Among other things, it determined that lotteries have "engendered rampant speculation, undermined the integrity of the FCC's licensing process and, more importantly, frequently resulted in unqualified persons winning an FCC license":

Many lottery applicants had no intention to build or operate a system using spectrum, but instead only sought to acquire a license at nominal cost and then sell it, making a large profit and at the same time delaying the delivery of services to the public.⁹⁸

On the basis of these findings, Congress has prohibited this Commission from using lotteries unless it determines that the use of the spectrum is not a type for which competitive bidding is prescribed (*e.g.*, the licensee will not be receiving compensation from subscribers).⁹⁹ Congress did, however, give the Commission the flexibility to use lotteries or competitive bidding for applications "accepted for filing . . . before July 26, 1993."¹⁰⁰

As it turns out, the Commission's "flexibility" with respect to unserved area applicants is extremely limited. This is because the overwhelming majority of unserved area applications were not "accepted for fil-

⁹⁷House Report at 248.

⁹⁸Ibid.

⁹⁹See Budget Act § 6002(e)(1), 107 Stat. 397.

¹⁰⁰See Budget Act § 6002(e)(2), 107 Stat. 397.

ing" before July 26, 1993.¹⁰¹ Consequently, the Commission has no authority to use lotteries to process most of these applications. In these circumstances, it makes sense to use competitive bidding for all unserved area applications, particularly given the predominant number of such applications which must be subjected to that process.

The Commission has, in fact, proposed using competitive bidding, rather than lotteries, for all unserved area applications (whether or not they had been accepted for filing before July 26, 1993). The Commission has noted that, among other things, competitive bidding would facilitate "the rapid deployment of new service, especially to rural areas, . . . because insincere applicants who do not intend to build out their proposed systems but, rather, assign their authorization for profit, would be discouraged from competing in an auction."¹⁰²

Some of the many persons submitting unserved area cellular lottery applications strenuously oppose this plan (although most of these commenters simply signed the same form letter).¹⁰³ Yet as spirited as this opposition is,¹⁰⁴ these commenters do not challenge the reasons recited by

¹⁰¹While all of these applications were "filed" prior to July 26, most were not "accepted for filing," a technical term applying to applications having undergone initial Commission review and the public notice process. In fact, many of these parties cannot lawfully obtain the relief they seek (*i.e.*, lotteries) because their applications had not been accepted for filing by the prescribed date.

¹⁰²Notice at 54 ¶ 160.

¹⁰³Time was not available to determine which commenters opposing competitive bidding had submitted applications that had not been accepted for filing prior to July 26, 1993.

¹⁰⁴Some of these opponents even threaten a "class action lawsuit against the FCC" if they do not get their way. *See, e.g.*, QCG at 7-8.

the Commission in proposing competitive bidding. Nor do they question, much less refute, the many other advantages of competitive bidding over lotteries (e.g., bidding will most likely assign a license to the party who values it the most).

Ignoring these concrete benefits, these opponents instead argue that, in adopting this special "flexibility" provision, Congress "intended" that lotteries be used with pre-July 1993 applications. This is most unlikely. Had Congress wanted lotteries to be used, it could have easily said so (rather than giving the Commission the flexibility to choose the assignment method). More fundamentally, the assertion that Congress intended use of lotteries cannot be squared with its finding that lotteries "have not served the public interest."

The opponents of auctions also contend that use of competitive bidding in assigning licenses for the unserved cellular areas would constitute unlawful retroactive rulemaking. The simple response is that the change in assignment methods from lotteries to competitive bidding is, in the end, no different than the change a decade ago from comparative hearings to lotteries. Importantly, the Commission's decision to switch from comparative hearings to lotteries, including for the then-pending cellular license applications, was affirmed by the courts,¹⁰⁵ and there is no reason to expect a different result this time — especially given the Congressional finding that lotteries "have not served the public interest."

¹⁰⁵See Maxcell Telecom Plus v. FCC, 815 F.2d 1551 (D.C. Cir. 1987), where the Court dismissed an appeal of a person submitting a comparative hearing application who had argued that the Commission's later decision to use lotteries instead constituted unlawful retroactive rulemaking.

Equally baseless is the opponents' "fairness" argument. Their complaints about the money they spent in preparing and filing their applications are unfounded because these costs are largely the same whether the lottery process or competitive bidding is employed.¹⁰⁶ In addition, their claim that they were not aware that the Commission would use auctions if granted auction authority cannot be squared with the facts. The Commission announced its preference for auctions over two years ago — in the very same proceeding it decided to assign unserved areas by lottery (because auction authority was not available) — well before the opponents filed their applications.¹⁰⁷

U S WEST therefore agrees with those commenters who advocate that, given the Congressional findings and considering the public's interest (as opposed to the private interests of speculators), the Commission should use competitive bidding in assigning all unserved cellular area frequencies.¹⁰⁸

Moreover, U S WEST recommends that the Commission use open, oral ascending auctions in assigning these frequencies and that it commence these auctions as soon as possible. There is a real need for these as-

¹⁰⁶The only persons who might be harmed by the change to auctions are the speculators — the very class of people Congress decided should not become radio licensees (at least not for free).

¹⁰⁷See Cellular Unserved Areas, 6 FCC Rcd 6185, 6217 at ¶ 75 (Oct. 18, 1991) ("We will revisit our decision to use lotteries for unserved area applications if we receive Congressional authority to conduct auctions."). See also MaxCell, 815 F.2d at 1555 ("Moreover, before [the appellant] filed its application [for a comparative hearing], it was on notice that the Commission might implement a lottery for cellular licenses. Thus, [the appellant] could not reasonably rely on the continued use of comparative hearings.").

¹⁰⁸See, e.g., BellSouth at 44-45; McCaw at 30-31; SBC at 12-13.

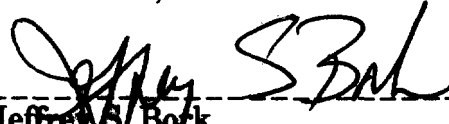
signments to be made so people residing in these unserved areas can begin enjoying the benefits of cellular service (or the benefits of a competitive cellular service if one carrier already serves the area). In addition, these auctions could provide valuable experience upon which the Commission can draw in refining its competitive bidding rules for other services.

V. Conclusion

The Commission's competitive bidding proposal is sound overall, but it can be improved by simplifying the process and by modifying the process to take account of practical considerations. Specifically, the Commission should commence as soon as possible competitive bidding for unserved cellular areas and the broadband PCS blocks A and B. The Commission should use open, oral ascending auctions exclusively for these spectrum blocks, and service areas within each block should be auctioned in descending order of population. Competitive bidding for other services can then commence, using the experience the Commission has gained from this first round.

Respectfully submitted,

U S WEST, Inc.



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November 30, 1993

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Attachment A

**List of Commenting Parties
PP Docket No. 93-253**

<u>Abbreviation</u>	<u>Commenting Party</u>
Abby	Abby Dilley
Abraham	Abraham Kye, <i>et al.</i>
AMT/DSST	Advanced MobileComm Technologies, Inc. and Digital Spread Spectrum Technologies, Inc.
Alcatel	Alcatel Network Systems, Inc.
AllCity	AllCity Paging, Inc.
AFVO	Alliance for Fairness and Viable Opportunities
ARATCSP	Alliance of Rural Area Telephone and Cellular Service Providers
ATI	Alliance Telcom, Inc.
AAA	American Automobile Association, Inc.
AMTA	American Mobile Telecommunications Association, Inc.
APC	American Personal Communications
API	American Petroleum Institute
AT&T	American Telephone and Telegraph Company
AWCC	American Wireless Communications Corp.
AWRT	American Women in Radio and Television, Inc.
Ameritech	Ameritech
AMSC	AMSC Subsidiary Corporation
ATU	Anchorage Telephone Utility
A&A	Andreae & Associates, Inc.
Andrea	Andrea L. Johnson
Arch	Arch Communications Group, Inc.

Arlene	Arlene T. Strege
AAR	Association of American Railroads
APTS	Association of America's Public Television Stations
AIDE	Association of Independent Designated Entities
MSTV/NAB	Association for Maximum Service Television, Inc. and National Association of Broadcasters
APSC	Association of Public-Safety Communications Officials-International, Inc.
Baraff	Baraff, Koerner, Olender & Hockberg, P.C.
Bell Atlantic	Bell Atlantic Personal Communications, Inc.
BellSouth	BellSouth Corp., BellSouth Telecommunications, Inc. BellSouth Cellular Corp., and Mobile Communications Corporation of America
Bergner	Bergner, Boyette, Bockorny & Clough, Inc.
B&S	Brown & Schwaninger
Cablevision <i>et al.</i>	Cablevision Industry Corporation, Comcast Corp., Cox Cable Communications, and Jones Intercable, Inc.
Calcell	Calcell Wireless, Inc.
CMI	California Microwave, Inc.
CPUC	California Public Utilities Commission
Call Her	Call Her, L.L.C.
CHMC	Capital Hill Management Corp.
Catapult	Catapult Communications Corp.
CA	Cellular Associates, Milwaukee Partners
CCI	Cellular Communications, Inc.
CSI	Cellular Services, Inc.
CSG	Cellular Settlement Groups
CTIA	Cellular Telecommunications Industry Association

CenCall	CenCall Communications Corp.
Century	Century Communications Corp.
CFW	CFW Communications Company Denver & Ephrata, <i>et al.</i>
Chase	Chase Communications Corp.
Chickasaw	Chickasaw Telephone Co.
CUC	Citizens Utilities Co.
CEL	Coalition of Equity in Licensing
CRB	Cole, Raywid & Braverman
Comcast	Comcast Corp.
COMSAT	COMSAT Corp.
Comtech	Comtech Associates, Inc.
CI	Converging Industries
CIRI	Cook Inlet Region, Inc.
CTP	Corporate Technology Partners
Council	Council of 100
Cox	Cox Enterprises, Inc.
Datalink	Datalink Communications
Daniel	Daniel R. Lindemann
David I	David M. Cohen
David II	David F. Gencarelli
Deudee	Deudee B. Branch
Devsha	Devsha Corp.
Dial	Dial Page, Inc.
Diversified	Diversified Cellular Communications
Domestic	Domestic Automation Co.

DWMP	Duncan, Wienberg, Miller & Pembroke, P.C.
ETI	Economics and Technology, Inc.
Edward	Edward M. Johnson
EFJ	E.F. Johnson Co.
Emma	Emma M. Pinkston
Enakee	Enakee Partnership
FiberSouth	FiberSouth, Inc.
First Cellular	First Cellular of Maryland, Inc.
Firstcom	Firstcom, Inc.
Gary	Gary B. Allan
GCI	General Communication, Inc.
George	George E. Murray
Geotek	Geotek Industries, Inc.
GTE	GTE Service Corp.
GVNW	GVNW Inc./Management
Henry	Henry J. Staudinger
HCG	Hughes Communications Galaxy, Inc. and DirecTv, Inc.
HTMS	Hughes Transportation Management Systems
ICC	Independent Cellular Consultants
ICN	Independent Cellular Network, Inc.
ITA	Industry Telecommunications Association, Inc.
ICBC	Inner City Broadcasting Corp.
IVHS	Intelligent Vehicle-Highway Society of America
InterDigital	InterDigital Communications Corp.
INS	Iowa Network Services, Inc.

JAJ	JAJ Cellular
James I	James Aidala
James II	James Love
Jeffrey	Jeffrey Peterson
JMP	JMP Telecom Systems, Inc.
John I	John G. Andrikopolous, Bent Elbow Corp., Judith Campbell, Imre Dancs, Equinunk Cellular Partnership, Foothills Communications, Warren Haas, Bertie Heiner, High Hopes General Partnership, Mark Kington, Longview Cellular Associates, <i>et al.</i>
John II	John Dudinsky, Jr.
John III	John J. Mandler
Kathleen	Kathleen O'Connor
Laura	Laura G. Dooley
Liberty	Liberty Cellular, Inc. d/b/a Kansas Cellular
LII	Lightcom International, Inc.
LQSS	Loral Qualcom
LuxCel	LuxCel Group Corp.
MEBTEL	MEBTEL, Inc.
Mark	Mark H. Duesenberg
McCaw	McCaw Cellular Communications, Inc.
MCI	MCI Telecommunications Corp.
Mercury	Mercury Communications, L.C.
Michael	Michael Sauls
Millin	Millin Publications, Inc.
MEANS	Minnesota Equal Access Network Services, Inc.
MBELDEF	Minority Business Enterprise Legal Defense & Education Fund, Inc.

MPC	Minority PCS Coalition
Motorola	Motorola, Inc.
Motorola Satcom	Motorola Satellite Communications, Inc.
MW	MW TV, Inc.
NABER	National Association of Business and Educational Radio, Inc.
NABOB	National Association of Black Owned Broadcasters, Inc.
NAMTEC	National Association of Minority Telecommunications Executives & Companies
NRTA	National Rural Telecom Association
NTIA	National Telecommunications and Information Administration
NTCA	National Telephone Cooperative Association
Nextel	Nextel Communications, Inc.
NYNEX	NYNEX Corp.
OPASTCO	Organization for the Protection and Advancement of Small Telephone Companies
Oye	Oye Ajayi-Obe
P&P	P&P Investments
Pacific	Pacific Bell and Nevada Bell
PTC	Pacific Telecom Cellular, Inc.
PacTel	PacTel Corp.
PageMart	PageMart, Inc.
PageNet	Paging Network, Inc.
Palmer	Palmer Communications, Inc.
PCNS-NY	Personal Communications Network Services of New York
Phase One	Phase One Communications, Inc.
PMN	PMN, Inc.

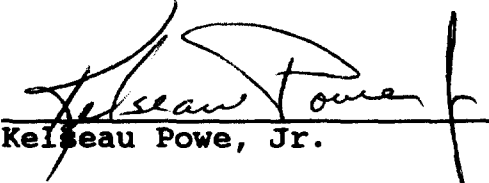
PNC	PNC Cellular, Inc.
Point	Point Communications Co.
Primosphere	Primosphere Limited Partnership
QCG	Quick Call Group
RTT	Radio Telecom and Technology, Inc.
RDM	RAM Mobile Data USA Limited Partnership
Ray	Ray Communications
RLV	Richard L. Vega Group
Richard	Richard S. Myers
Roamer One	Roamer One, Inc.
Robert I	Robert Lutz, <i>et al.</i>
Robert II	Robert J. Moffitt
Rochester	Rochester Telephone Corp.
RMTA/WRTA	Rocky Mountain Telecommunications Association and Western Rural Telephone Association
RWDHC	Rubin, Winston, Diercks, Harris & Cooke
RCA	Rural Cellular Association
RCC	Rural Cellular Corp.
REA	Rural Electric Association
RTC	Rural Telephone Co.
SS&C	Santarelli, Smith & Carroccio
Securicor	Securicor PMR Systems, Ltd.
Sidney	Sidney E. Pinkston
SBA	Small Business Administration, Office of Advocacy
SPPCS	Small Business PCS Association
SRSAO	Small RSA Operators

STCL	Small Telephone Companies of Louisiana
SBC	Southwestern Bell Corp.
Sprint	Sprint Corp.
STARSYS	STARSYS Global Positioning, Inc.
Stephan	Stephan C. Sloan
S&P	Strasburger & Price
Suite 12	Suite 12 Group
SEI	Systems Engineering, Inc.
TAP	Taxpayers Assets Project
TDS	Telephone and Data Systems, Inc.
TAM	Telephone Association of Michigan
TEC	Telephone Electronics Corp.
Telepoint	Telepoint Personal Communications, Inc.
Telmarc	Telmarc Group, Inc. and Telmarc Telecommunications, Inc.
Telocator	Telocator, the Personal Communications Industry Association
Thomas I	Thomas Crema
Thomas II	Thomas J. Jasien
Thomas III	Thomas Salmon
Thumb	Thumb Cellular Limited Partnership
TWT	Time Warner Telecommunications
TMS	Transportation Management Systems
Tri-State	Tri-State Radio Co.
TRW	TRW Inc.
Unique	Unique Communications Concepts
UNAT	United Native American Telecommunications, Inc.

USTA	United States Telephone Association
USIN	U.S. Intelco Networks, Inc.
UTI	Urban Telecommunications, Inc.
UTC	Utilities Telecommunications Council
VMI	Valley Management, Inc.
Vanguard	Vanguard Cellular Systems, Inc.
Venus	Venus Wireless, Inc.
Ward	Ward Leber and Eroca Daniel
Watercom	Waterway Communications System, Inc.
Wendy	Wendy C. Coleman, d/b/a WCC Cellular
WCI	Windsong Communications, Inc.
WCAI	Wireless Cable Association International, Inc.
Wireless	Wireless Service Corp.
WWCC	Wisconsin Wireless Communications Corp.

CERTIFICATE OF SERVICE

I, Kelseau Powe, Jr., do hereby certify that on this 30th day of November, 1993, I have caused a copy of the foregoing **U S WEST REPLY** to be served via first-class United States Mail, postage prepaid, upon the persons listed on the attached service list.


Kelseau Powe, Jr.

***Via Hand-Delivery**

(PP93-253/JB/lh)